

**DECISION**



7618 C. Brown  
Part 1. I  
**THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D. C. 20548**

**FILE: B-189770**

**DATE: September 12, 1978**

**MATTER OF: Ramon Delgado - Insurance on Commercially  
Leased Vehicle**

**DIGEST:** Employee paid for insurance on commercially owned vehicle rented for official business at San Juan International Airport. He claims insurance was required by airport authority before vehicle could be used. On present record, employee may not be reimbursed. It is not clear what type of insurance he purchased and FTR para. 1-3.2c prohibits payment for collision damage insurance. Additionally it is not clear whether insurance requirement applied to vehicles rented by United States Government.

By letter of July 20, 1977, Orris C. Huet, an authorized certifying officer of the Department of Agriculture, requested an advance decision on the reclaim voucher of Mr. Ramon Delgado for reimbursement of the cost of insurance in the amount of \$115 on a commercially leased vehicle.

At the time of the purchase of the insurance Mr. Delgado was Acting District Director, Animal and Plant Health Inspection Service, Hato Rey, Puerto Rico. He rented a pick-up truck for use by an employee who operated it on official business at San Juan International Airport. Mr. Delgado was authorized to rent the truck because the vehicle supplied by the General Services Administration (GSA) was undergoing repairs and a replacement vehicle was not available from GSA. The charges for insurance totaling \$115 on the pick-up truck were originally disallowed by the Department in accordance with our decisions B-184623, October 21, 1975, and B-185454, July 1, 1976, and paragraph 1-3.2c of the Federal Travel Regulations (FTR) (FPMR 101-7, May 1973) which states as follows:

"c. Damage waiver or insurance costs. In connection with the rental of vehicles from commercial sources, the Government will not pay or reimburse employees for the cost of

R-189770

the collision damage waiver or collision damage insurance available in commercial rental contracts for an extra fee. The waiver or insurance referred to is the type offered a renter to release him from liability for damage to the rented vehicle in amounts up to the amount deductible (usually \$100) on the insurance included as a part of the rental contract without additional charge. Under decisions of the Comptroller General, the agency in appropriate circumstances is authorized to pay for damage to the rented vehicle up to the deductible amount as contained in the rental contract should the rented vehicle be damaged while being used for official business. The cost of personal accident insurance is a personal expense and is not reimbursable."

Mr. Delgado has reclaimed the \$115, stating that the insurance was required by the Puerto Rico Ports Authority before the Authority would grant a permit to use a commercially owned vehicle inside the airport ramp areas. The certifying officer notes that, while the subject of insurance is discussed in the above-cited cases, the element of mandatory insurance is not involved in those cases. Thus, the certifying officer inquires if, under the circumstances of this case, the claim for insurance may be certified for payment.

The certifying officer apparently considered the expense in question to be for collision damage waiver insurance on the rented vehicle. The claimant on the other hand does not mention "collision insurance." He refers only to "insurance" and he has submitted a photocopy of the Airport Regulations which require "a certificate of insurance to cover the risks of said vehicle" before a Ramp Permit may be issued to a commercially owned vehicle.

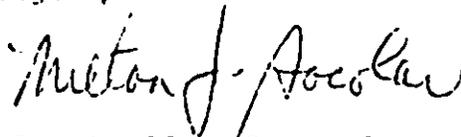
In reviewing the rental agreement, the type of insurance provided is not entirely clear. The agreement specifies that the lessee provides the public liability and property damage insurance and that collision damage claims (in excess of the deductible) are not waived by the lessor. However, the amount of \$2,000 is written in ink in the blank space provided in

B-189770

the collision damage waiver clause. If the amount claimed, or a portion thereof, represents collision insurance or collision waiver, it may not be certified for payment under the plain meaning of FTR para. 1-3.2c quoted above. If however, the claim represents a payment for liability insurance as appears probable, further consideration is necessary. Assuming that the claimant can show that the insurance he purchased was liability insurance, he may be reimbursed, notwithstanding the policy of the Government to be a self-insurer, if the purchase of insurance was necessary for the operation of the truck at the San Juan Airport. 55 Comp. Gen. 1397 (1976).

Under the facts related by Mr. Delgado he had no choice in the matter, as a commercially owned vehicle will not be issued a permit to operate inside the Puerto Rico International Airport without insurance. However, a review of the Airport Regulations of the Puerto Rico Ports Authority submitted by the claimant indicates that vehicles "belonging or ascribed to ... agencies of the United States" (emphasis added) do not require a permit. Accordingly, on the present record, the voucher may not be certified for payment. Notwithstanding the above, if Mr. Delgado submits evidence that the insurance in question was not for collision damage and a statement from the Puerto Rico Ports Authority showing that a commercially owned vehicle rented by the United States Government requires a permit for operation inside the airport, the voucher may be certified for payment.

The case is remanded to the certifying officer for further action pursuant to the foregoing.



Acting Comptroller General  
of the United States